

**TRABUCO CANYON WATER DISTRICT
EXECUTIVE COMMITTEE MEETING
AUGUST 3, 2009**

DIRECTORS PRESENT

Mike Safranski, Committee Chair
Matt Disston, Committee Member

STAFF PRESENT

Don Chadd, General Manager
Hector Ruiz, District Engineer
Sharon E. Smith, Secretary/Treasurer
Teresa Teichman, Assistant to the General Manager
Michael Perea, Special Projects Manager

PUBLIC PRESENT

No members of the public were present.

CALL MEETING TO ORDER

Committee Chair Safranski called the August 3, 2009 Executive Committee Meeting to order at 7:12 a.m.

VISITOR PARTICIPATION

Public comments were announced. No comments were received.

ORAL COMMUNICATION

Oral communication was announced. No comments were received.

COMMITTEE MEMBER COMMENTS

Committee Chairman Safranski discussed Irvine Ranch Water District's (IRWD) new rate structure. The notification in IRWD's monthly newsletter indicated that IRWD has the lowest water rates in south Orange County.

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Committee Chair Safranski had prepared and distributed a spreadsheet to the Committee comparing TCWD's warm season rates to IRWD's rates. Using 22 and 36 billing units for both agencies as benchmarks, the spreadsheet shows that IRWD's rates are considerably higher than TCWD's as IRWD's rates begin to increase dramatically after 17 billing units are consumed. The Committee and staff discussed this matter in detail.

REPORT FROM THE GENERAL MANAGER

No report was provided.

BOARD AGENDA MATTERS

ITEM NO. 1) EXECUTIVE COMMITTEE MEETING RECAP

The July 6, 2009 Executive Committee Meeting Recap was presented to the Committee.

Executive Committee Recommended Action: Receive and file the July 6, 2009 Executive Committee Recap. (Consent Calendar)

ITEM NO. 2) DISCUSSION RELATING TO PENDING/FUTURE BOARD AGENDA TOPICS

Mr. Don Chadd, General Manager, distributed a spreadsheet relating to Board topics for the months of August through November 2009. The Committee and staff discussed the topics.

Grand Jury Response

Mr. Chadd stated that he will be preparing a response to the Grand Jury Reports concerning water supply issues.

Ad Valorem Property Tax Diversion

Mr. Chadd noted TCWD's property tax diversion to the State will total about \$96,000. Proposition 1A states that the funds must be repaid within three years, with interest. He discussed the Proposition 218 procedure by which the District would collect the tax diversion from customers and distributed three examples of collecting the loss for a one, two, and three-year period. The monthly collection for the majority of customers would be \$1.28 for the one-year collection period. Following discussion, the

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Committee concurred that all three examples should be provided to the Board at the August 19, 2009 Regular Board Meeting.

Water Reliability and Emergency Storage Fee (WRESF)

Mr. Chadd distributed two spreadsheets indicating the monthly fee for the WRESF. One spreadsheet estimates the two million gallon domestic water reservoir at \$3,000,000; the second estimates the reservoir to be \$3,500,000. Conversation took place concerning the need to construct the reservoir to meet the average day demand as well as the location and elevation. Mr. Chadd recommended that the estimate of \$3,500,000 be used to cover potential land, road, and appurtenant costs.

The total monthly fee for the three projects involved would be \$16.01 for 5/8 and 3/4-inch meters for the first ten years of the 20-year period. The fee would decrease to \$15.55 for the second ten years.

Conversation took place relating to future capital projects. Mr. Chadd stated that he does not believe that capital projects of any magnitude will be required.

This matter will be brought before the Board at the August 19, 2009 Regular Meeting.

A Special Workshop will be scheduled in November to discuss the WRESF projects in more detail.

LEGISLATIVE MATTERS

ITEM NO. 3) REVIEW OF LEGISLATIVE INFORMATIONAL ITEMS

Mr. Chadd stated that the Municipal Water District of Orange County (MWDOC) will interview candidates for the vacant position on the MWDOC Board and make an appointment at its August 19, 2009 Board Meeting. It was noted that TCWD's Director Acosta will be interviewed for the position.

DISCUSSION MATTERS

**ITEM NO. 4) DISCUSSION RELATING TO CALIFORNIA DROUGHT AND
WATER CONSERVATION EFFORTS**

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Mr. Chadd provided the Summary of Retail Usage by MWDOC Client Agency for FY 08/09 vs. the adjusted baseline.

Mr. Michael Perea provided information from a recent water conservation workshop.

Mr. Chadd stated that the District has contacted the Dove Canyon Master Association concerning reclaimed water irrigation use. The Smart Timers located within the association are programmed to irrigate via a satellite timer and are turning on at various times during the day. Consequently, the association is not Title 22 compliant. Staff will meet with association representatives to resolve the issue.

**ITEM NO. 5) REVIEW STATUS OF EXISTING CONTRACTS FOR
PROFESSIONAL SERVICES**

Mr. Chadd noted that the District entered into Agreements for Services with DMcEngineering for the Brookseed Pipeline and Shadow Rock Detention Basin Projects.

OTHER MATTERS

**ITEM NO. 5) REPORT OR COMMENTS FROM THE GENERAL MANAGER
AND/OR STAFF**

Mr. Chadd stated that the Orange County Fire Authority (OCFA) conducted site visits of the District's water pumping stations that interface with wild land. The OCFA is focusing on the Canyon Creek station. The OCFA stated that the District must clear shrubs and debris within 100 feet of the station and that an emergency generator is required. However, the District does not own the property within 100 feet of the station. Due to a legislative mandate, TCWD is unable to obtain a permit for an emergency generator. The District will respond in writing to the OCFA.

A student will rent the District office on August 9 to film a movie.

ADJOURNMENT

Committee Chair Safranski adjourned the August 3, 2009 Executive Committee Meeting at 8:22 a.m.